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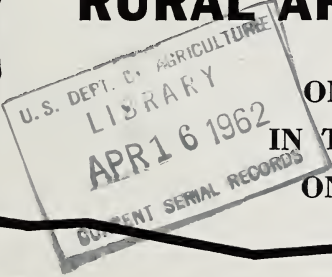
MARCH
1962

Rural Lines

RURAL ELECTRIFICATION ADMINISTRATION • U. S. DEPARTMENT OF AGRICULTURE

THE WORLD'S BEST REPAYMENT RECORD!

RURAL AREAS DEVELOPMENT:



ON THE SHORE
IN THE MOUNTAINS
ON THE PLAINS

8 to 5: Winning Telephone Odds

THEY VOTED FOR HIGHER RATES

NEW IDEAS FOR MEMBER RELATIONS



Growth Through Agricultural Progress



A Message from the ADMINISTRATOR

Excerpts from REA Administrator Norman M. Clapp's address before the 20th Annual Meeting of the National Rural Electric Cooperative Association, Atlantic City, N. J., March 6, 1962:

We need to re-energize rural electrification, from top to bottom, from north to south, from coast to coast. We need to re-energize the management and the members of our cooperatives with renewed faith and practice in cooperative principles. We need to re-energize our friends and our communities with renewed understanding of the significance of cooperative rural electrification. We need to re-energize our Government at all levels with the vision and belief of such founding fathers of rural electrification as George Norris, Sam Rayburn, and Franklin D. Roosevelt.

* * *

The wholesale power supplier who seeks and intends to reserve for itself the right to serve at retail the area of its wholesale customer is always a potential hazard to that cooperative. If the cooperative has to rely on that power company for its source of power, it is always in some potential jeopardy. Now there are power companies across the country that take their responsibility as wholesale power supplier seriously enough to respect the interests of their wholesale customers. Although there may be, in some cases, a potential conflict of interest in these relationships, it is not an actual hazard because of the attitude and the responsible policy of the company concerned. But where power companies have built up a record of consistent and demonstrated hostility to the interests of the cooperative, the potential hazard is so serious that it becomes a threat to survival and must not then be tolerated. This is the significance of the third criterion.

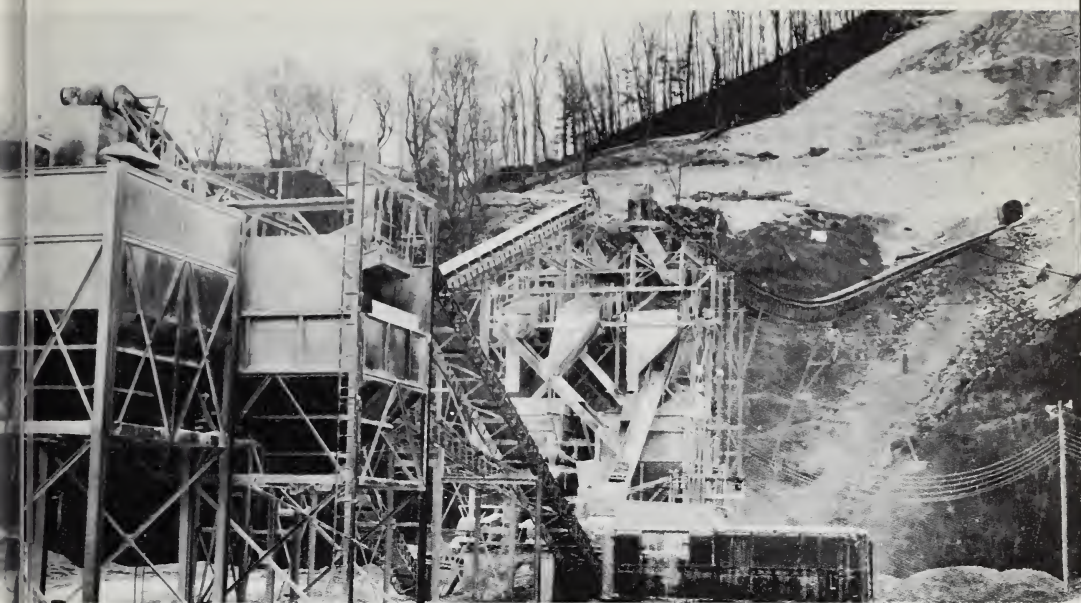
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The great objective of the rural electrification program has from the beginning been to bring better living to rural people through the blessings of electricity. That is still its objective. The job is not done when the hookup is made. That is only the beginning. Keeping the energy coming to meet the ever growing needs for electricity in rural areas, supplying it at the lowest possible cost, and maintaining a new dynamic force in the redevelopment of rural communities—this is the job ahead.

* * *

Contributors to this issue: Bernard Krug, Donald Runyon, Barton Stewart, Jr., Hubert Kelley, Jr.

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Clark provides the power to operate this giant stone crusher which supplies gravel for two road building projects expected to attract new industry to Kentucky.

KENTUCKY RAD PIONEER

"They don't have any industry, not even a bank. The only thing they export is their kids," says Bill Hanshaw of the people of Menifee County, Kentucky.

Hanshaw, manager of Clark Rural Electric Cooperative Corporation, is one of the founders and past president of the Kentucky Rural Area Development Council. This organization, which was formed about 6 years ago, drew its membership from the electric cooperatives of Kentucky, the Kentucky utilities, and the extension department of the University of Kentucky. Hanshaw was the first president of the group. Another leader was Dr. Frank Welch, Dean of the College of Agriculture, of the University of Kentucky. Dr. Welch is now Assistant Secretary of Agriculture for Federal-States Relations.

The group designated pilot counties

within the State, then the members met with community leaders in the pilot areas and set up a program to help the people help themselves. They provided technical and other assistance, but no funds. The money and the leg work needed for projects were supplied by local citizens. The Council's efforts resulted in locating a cheese processing plant (Kentucky is the third largest cheese producing State in the Union), several chicken hatcheries, and a charcoal plant in rural areas.

In 1961, when the Area Redevelopment Act was passed by Congress, new impetus was given to rural development in Kentucky. The Governor appointed a director to pull together all the coordinating groups. After careful study, Menifee County has been placed high on the area development list.



Bill Hanshaw (center), manager of Clark, maps out the 1962 power use campaign aided by Annette Estes, staff assistant and John Bailey, special services director.

Located in the Cumberland Mountains next door to some of the richest bluegrass country in the State, Menifee County did not even have a high school until 5 years ago. There is not a single home in the county with running water.

Less than 300 of the county's 4,276 people are concentrated in the county seat, Frenchburg. The rest—proud, hard working—eke out their meager living from the rocky slopes of the Cumberland Mountains. For the most part, they operate small, family-type farms. Their major crops are sorghum, tobacco, and corn.

The Council's No. 1 project in Menifee County is a water district, and second, it is trying to get a sorghum processing plant in the area. At present, each family processes its own sorghum crop and sells the molasses in gallon or half gallon containers alongside the road. There are a number of drawbacks to this type of marketing.

For example, Hanshaw said, quantities are often too large for home needs, quality is not consistent, and sanitary standards are irregular.

Although Hanshaw represents Clark County on the Rural Development Council, he and all the co-op's personnel take an active interest in the development of Menifee County because it is in the co-op's service area. Further, they have firsthand knowledge of the good a new industry can do in a community. Nearly 2 years ago, when the Strategic Air Command was looking for a site for a mobile radar Bomb Scoring Unit, Hanshaw helped find a spot on the co-op's lines in the rural area near the town of Paris.

Before the unit located, Major Harry Schow, who heads it up, made speaking appearances before civic, church, and other groups to explain, as much as possible, the functions of the unit. So anxious was Major Schow to see that everyone was informed of the

unit's operation, that he went as far as 30 miles out into the country to speak to a 7-member church group.

Many people had confused radar with radiation and a number asked such questions as: Will it kill the fish? Will it give me a skin rash? Major Schow quickly allayed these fears.

He did his public relations job so well, that when the rest of the group of 82 men—most of them with families—arrived in the Paris area, they received an enthusiastic welcome. Many people opened their homes to provide housing for the newcomers.

The folks from the radar installation, in turn, have proved to be excellent citizens. Major Schow is president of the Paris Civitan Club. One of his fellow officers teaches square dancing at the Paris High School, and another teaches boys the fundamentals of basketball, and coaches the teams. Others have become active in church and civic groups. In the 18 months the unit has been in operation, there

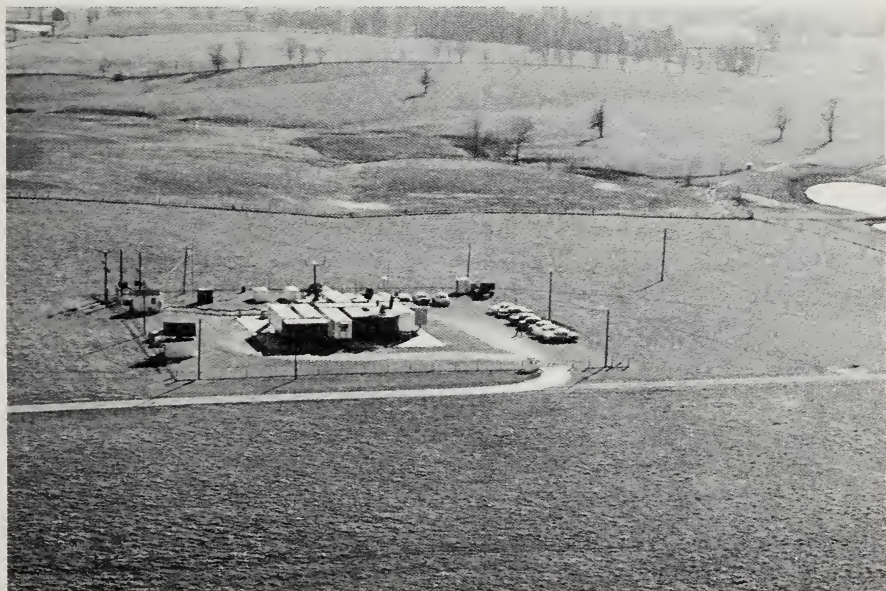
has not been a single unpleasant incident involving personnel from the unit.

Even the low-flying planes have not bothered the local people very much, though one farmer said, "One boy flew so low this morning, that I had to open the front door to let him out."

The members of the Bomb Scoring Unit have brought about \$400,000 annual revenue into the town of Paris. As Lee Wilson, local druggist put it, "That extra money coming in is real nice, but we wouldn't want it if the people weren't just as nice. They're really a good bunch."

Initially, the Bomb Scoring Unit provided some problems for the Clark Rural Electric Cooperative. The Unit is housed in 11 trailers of varying sizes, located on rolling pastureland 7 miles from Paris; it utilizes three types of radio frequencies; it has antennae that can simulate any known type of radar; and its temperature is regulated with 40 tons of air conditioning equip-

A Strategic Air Command Bomb Scoring Unit is housed in a group of trailers huddled in a field 7 miles from Paris. Clark's lines supply its electric power.

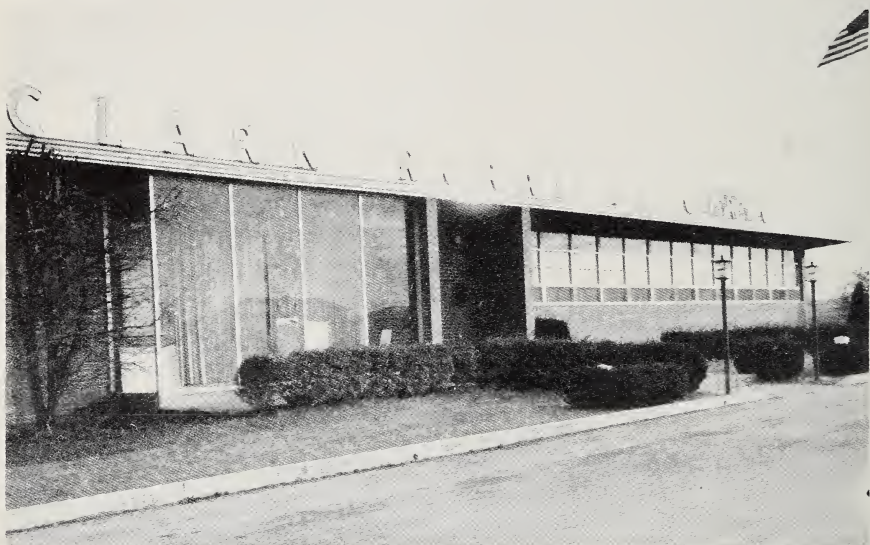


ment. The co-op had to do some fast figuring to provide the six or seven different voltages necessary to operate this complex. It finally took 6 transformers to do the job, but the co-op proudly notes that the unit, with nearly 387,000 annual kwh consumption, has not had a single outage since it has been in operation.

This is not too surprising, however, to members of the co-op. They are

ago he organized a local community fund drive, and was chairman the first 2 years. It exceeded its goal both years. He gave up the chairmanship last year when he was made president of the board of directors of the United Community Fund.

In addition, he heads a Christmas festival each year, which is sponsored by the co-op. At the festival, about 1,500 underprivileged children each



Clark Rural Electric Cooperative's new headquarters building is flanked by picnic grounds. These are donated to civic and other groups during the summer months.

aware of its record of good service, and the high standards it maintains in all its endeavors.

The co-op is spark-plugged by Hanshaw, who trained to be an analytical chemist and engineer, taught high school, was a football and basketball coach, and spent 3½ years in the U.S. Air Force, before becoming Clark's manager in 1947. In the 14 years since, the co-op has grown from 1,400 consumers to the present 7,300 in two complete counties and parts of eight others, and from one substation to six.

Hanshaw is active in his church and a number of civic groups. Three years

receive a bag of candy, fruit, and nuts, and a small toy.

All the co-op employees exhibit the same drive. For example, 3 years ago the co-op pioneered the security lighting program in Kentucky. It now has 600 lights on its lines.

Last year, the co-op won second prize in a national power use contest sponsored by the National Electrical Manufacturers Association for selling 5,117 small appliances to members in a 4-month period.

"This drive was an emotionally rewarding experience," Hanshaw says. "About 75 percent of these appliances

went into homes that had never owned a similar appliance. In a little country church the congregation took up a collection and gave the minister and his wife carte blanche to choose several appliances. The minister's wife chose an iron first, as the old electric one she owned had long since lost its cord and had to be heated on the stove.

"In addition, they were able to buy a skillet, toaster, and percolator—none of which they had owned before."

Much of Clark Electric Cooperative's success can be credited to the loyal support of its board of directors and the dedication of its employees. For example, there is Annette Estes, who has been with the co-op 6 years and can handle many of the time-consuming details that would otherwise tie up the manager. And John Bailey, head of the special services department, is particularly interested in rural development because he was a casualty of an industry that moved a number of years ago and he realizes more than most people the advantages of attracting and keeping new industries.

The co-op's employees are proudly approaching their millionth man-hour without a lost-time accident. The last

accident occurred in 1954 when a brand new employee dropped a pole on his toe.

Clark Electric is busily planning for the future. It has launched an aggressive water heater promotion to begin its 1962 power sales campaign. The co-op is placing in the shop of each participating dealer, a standard size electric water heater. When a dealer makes a sale to a co-op member, the cooperative will provide the heater and make the electrical installation free of charge and the dealer will receive the commission for the sale. The co-op expects to benefit through increased kwh consumption.

Co-op personnel are enthusiastic about the two major highways now under construction—one State and one Federal—which will bring more outsiders into the State. The co-op already serves a giant rock crusher, which provides rock for both roads and uses nearly a million kwh annually.

"We've come a long way," says Hanshaw, "and we've still got a long way to go, but we're pulling together and that's half the battle. I see big things ahead for Clark Rural Electric Cooperative—and for the whole State." □

COLORADO CO-OP OVERCOMES DISASTER

The lines of Sangre De Cristo Electric Association at Twin Lakes, Colorado, were severely damaged by the recent avalanche which killed six people.

The co-op received word of the disaster shortly after 9 o'clock on a Sunday morning. Crews and equipment were rushed to the scene to restore service to the town of Twin Lakes and up to the slide area. It took additional men and material, however, to string

line across the slide to the houses beyond. Some of the work had to be done on horseback, because modern vehicles could not travel through the deep snow.

The co-op was able to restore electric service to its grateful consumers before 4:00 p.m. the same day. Further, two of the co-op's service men—Albert Taylor and Bob Gall—helped rescue two survivors of the tragedy.

CO-OP ACTION AVERTS HOSPITAL POWER FAILURE



Air view of the Cambridge State school and hospital.

Two Minnesota REA borrowers cooperated recently to help avert a potentially disastrous electrical power failure at the Cambridge State school and hospital. The hospital houses nearly 2,000 epileptic and mentally retarded patients, who could be upset by even a slight variation in their routine.

The story of the near power failure began on a Saturday afternoon, when institution officials discovered that one of the hospital's three boiler-feed water pumps was failing. (The hospital has its own facilities for power and heat.) To complicate the situation, the other two pumps were out of commission and were awaiting replacement parts.

The mechanical engineer at the hospital ordered all electricity shut off immediately, except for emergency hall lights, refrigeration, and heating. Meanwhile, the hospital's electrical engineer contacted East Central Electric Cooperative of Braham, Minnesota and requested electric service as soon as it could be provided. Fortunately, negotiations had been underway for East Central to supply standby power for

the hospital. East Central's manager, Beauford Johnson, had already had the line right-of-way cleared.

Johnson contacted David Kopecky, facilities engineer for Rural Cooperative Power Association, at Elk River, and enlisted his help to supply and erect a 1,000 kva transformer substation at the hospital.

While hospital nurses and aides made their rounds with flashlights, East Central crews worked along with Rural Co-op Power crews in a dramatic race against time. Beginning Saturday night at 10 o'clock, they erected the substation, moved the transformer into place, installed switchgear, set poles, and strung wire. A total of 40 men completed the entire job by 2 o'clock Sunday afternoon. When they were done, the hospital had full power.

The only hardships the patients encountered were an evening without television and a breakfast with untoasted bread.

The hospital staff commended both REA borrowers for the work. □

THE REPAYMENT RECORD

Rural electric systems paid the U. S. Treasury \$160,433,681 on their REA loans in 1961. This included \$93,797,914 repaid on principal, \$54,918,400 paid in interest, and \$11,717,367 paid ahead of schedule.

This brought to \$1,532,709,346 the total payments made by REA-financed electric systems since the rural electrification program began in 1935. The figure breaks down this way—

- **Principal due and paid: \$853,224,863**
- **Interest due and paid: \$502,995,889**
- **Paid ahead of schedule: \$176,488,594**

The \$1.5 billion in payments have been made against the \$3,863,677,924 in loan funds invested in rural electric facilities by REA's more than 1,000 borrowers in 46 States, Puerto Rico, and the Virgin Islands. Most of these borrowers are cooperatives, and the facilities include 1,483,000 miles of line bringing the benefits of central station electric service to 4,950,000 rural consumers—perhaps 19,800,000 people—assuming that each meter serves 4 persons.

Included in the \$3.8 billion is \$54.3 million invested in rural electric facilities in Puerto Rico, and \$430,126 in Virgin Islands. The Puerto Rico Water Resources Authority, an agency of the Commonwealth's government, has repaid \$1.6 million on the principal of its REA loans and has paid \$3 million in interest. Loans to the Virgin Islands Company, Christiansted, St. Croix, have been repaid in full, with \$57,918 in interest.

On the following pages is a tabulation showing the amount of REA loan funds invested by electric borrowers in each of the 46 States involved in the program; principal and interest payments made in 1961, and total amounts paid to date.

<i>State</i>	<i>REA loans invested</i>	<i>Principal repaid during 1961</i>
Alabama	\$ 93,477,807	\$2,404,542
Alaska	44,895,533	629,509
Arizona	28,681,953	542,409
Arkansas	106,561,481	2,519,728
California	33,063,994	877,163
Colorado	109,471,966	2,355,614
Delaware	6,144,885	147,175
Florida	70,261,255	1,520,824
Georgia	129,660,256	3,387,729
Idaho	22,609,818	657,573
Illinois	111,877,451	2,829,535
Indiana	66,499,807	1,718,808
Iowa	176,391,906	4,061,243
Kansas	110,167,426	2,806,019
Kentucky	170,720,812	3,862,967
Louisiana	73,539,984	1,376,588
Maine	3,365,491	85,220
Maryland	20,641,998	478,831
Michigan	68,920,130	1,678,002
Minnesota	173,436,404	4,434,546
Mississippi	103,853,366	2,375,046
Missouri	262,348,786	6,089,000
Montana	58,734,558	1,510,309
Nebraska	157,169,958	3,781,808
Nevada	2,579,787	6,633
New Hampshire	9,318,170	155,345
New Jersey	1,991,032	18,041
New Mexico	88,961,107	1,948,729
New York	5,857,555	122,895
North Carolina	123,153,237	2,813,486
North Dakota	116,349,514	3,075,639
Ohio	73,247,567	2,022,502
Oklahoma	151,142,701	3,507,475
Oregon	49,747,622	114,322
Pennsylvania	43,747,664	1,089,746
South Carolina	85,152,524	2,172,977
South Dakota	98,602,477	2,566,291
Tennessee	116,232,673	4,104,058
Texas	325,431,845	8,609,282
Utah	16,775,660	317,921
Vermont	5,106,835	196,609
Virginia	75,364,344	1,971,370
Washington	46,704,341	1,065,555
West Virginia	1,436,392	40,248
Wisconsin	129,682,891	3,203,428
Wyoming	38,839,810	926,248

<i>Interest paid during 1961</i>	<i>Total prin. repaid</i>	<i>Total int. paid</i>	<i>Total payments ahead of schedule</i>
\$ 1,295,005	\$22,020,373	\$12,624,380	\$ 4,677,865
638,418	3,939,555	2,834,872	272,463
395,023	5,707,887	2,928,381	1,249,329
1,602,650	23,205,393	13,541,282	2,410,864
525,274	6,490,648	3,914,689	17,760
1,479,512	16,873,574	11,115,092	5,768,013
87,604	1,340,622	886,229	184,585
1,105,892	12,769,142	7,576,242	1,146,482
1,729,902	35,837,683	17,600,710	4,775,821
315,587	5,213,991	3,044,994	221,744
1,513,508	27,869,080	16,833,134	7,843,447
672,747	30,004,510	11,523,439	3,174,572
2,097,486	40,012,006	24,256,118	17,386,477
1,721,047	23,316,657	15,885,852	5,863,764
2,534,162	31,412,665	19,216,452	6,035,122
946,207	17,421,970	7,930,401	6,070,967
51,008	692,451	505,480	57,230
279,422	5,014,621	2,892,366	1,026,232
1,018,968	16,011,746	10,886,301	877,857
2,168,351	48,728,102	26,091,766	10,014,744
1,454,200	24,973,294	14,358,625	4,442,788
4,164,547	51,065,141	35,043,038	10,027,127
851,981	11,856,438	7,214,710	4,031,631
2,516,103	28,599,206	21,047,145	7,913,481
45,652	264,799	130,552	30,545
133,354	1,455,027	1,385,608	—
12,680	1,180,426	305,763	—
1,416,759	14,867,186	8,363,807	4,253,764
62,445	2,981,297	918,752	265,875
1,610,989	30,304,687	15,220,982	7,999,621
1,822,809	25,637,593	17,100,158	6,275,898
867,747	24,953,279	12,258,114	2,979,833
2,406,951	28,827,336	19,516,553	6,107,294
720,111	9,745,779	5,527,431	1,462,418
585,442	11,282,350	6,996,532	1,315,867
1,284,532	18,614,301	11,255,236	2,842,098
1,610,247	18,904,401	12,806,879	4,930,280
1,543,509	30,449,025	15,191,378	9,793,592
4,362,827	72,025,547	40,992,023	14,086,689
207,783	1,860,115	1,284,775	75,411
67,085	1,558,476	887,908	—
1,096,303	16,929,494	11,129,987	993,181
641,340	12,775,258	5,905,098	1,348,711
20,849	424,686	317,093	—
1,706,412	29,327,988	18,393,319	3,862,659
618,202	6,432,908	4,316,315	2,374,471

EASTERN SHORE LEADERS MAP OUT RAD STRATEGY

Many areas in the Nation, rich in resources and located close to thriving markets, have had the dismaying experience of becoming an "economic disaster area." Such was the problem facing the people of the Delmarva (Delaware, Maryland, Virginia) Peninsula, between the Chesapeake Bay and the Atlantic. During the summer, directors of the Choptank Electric Cooperative in Denton, Maryland, held a meeting, inviting several groups and special guests to discuss the situation. A specific suggestion was made to hold a larger shorewide meeting. The co-op agreed to furnish the facilities, providing the Maryland Department of Economic Development would sponsor the meeting and help develop the program.

The planning committee included the State Director of Extension, the State Director of Farmers Home Administration, 3 representatives of the County Industrial Development Committee, a representative from the largest Chamber of Commerce group, the Public Relations Director of the local Economic Development Commission, a power company representative, and a member of the co-op staff. On November 3, about 300 local leaders from 9 counties met in Denton to listen to more than a score of experts give their opinions and lead panel discussions about the future possibilities of the area's industrial growth.

The area has always been primarily agricultural, poultry raising being predominant. It was brought out that the broiler industry had caused a fantastic growth in the need for corn and soybeans. Increased efficiency in farming operations, however, had caused many farmers to turn to the cities for jobs. Some industrialists emphasized the need to find industries in the area using local produce, as well as those entirely independent of agricultural products. The use of poultry byproducts was becoming an equally important industry in the area. Since refrigerated ships from South Africa were hauling tuna to a local cannery, one government official pointed out the feasibility of having them ship broilers back to African markets, where there is a steady demand.

The Economic Development Board has already accomplished a great deal. Inquiries made by 17 industries have resulted in 6 of them locating on the peninsula, and 5 others are considering it. The participants have solid achievement to support optimism over their meeting. □



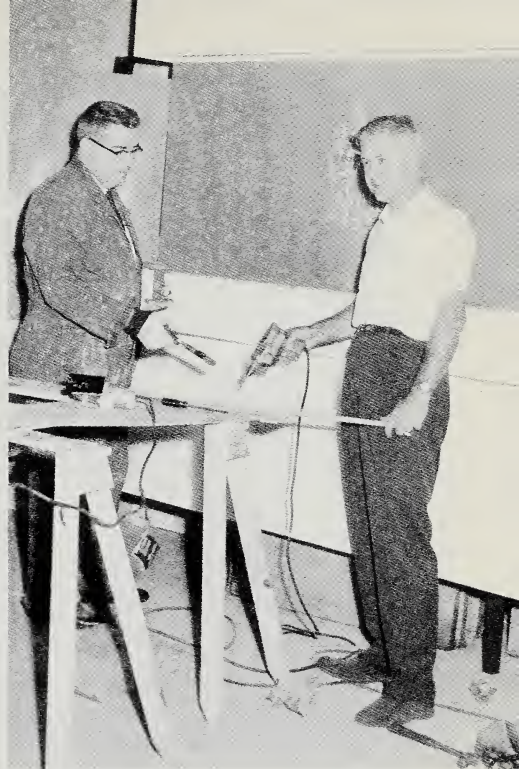
John Asher (left), of Choptank Electric Cooperative, talks to Harry Boswell, chairman of the meeting. Nearby are Drs. G. M.

Boats are an important industry on the Eastern Shore, where they build, na





Electric Cooperative, points out RAD exhibit of the Maryland Economic Development Commission and D. H. B. Ulmer, speakers at meeting.

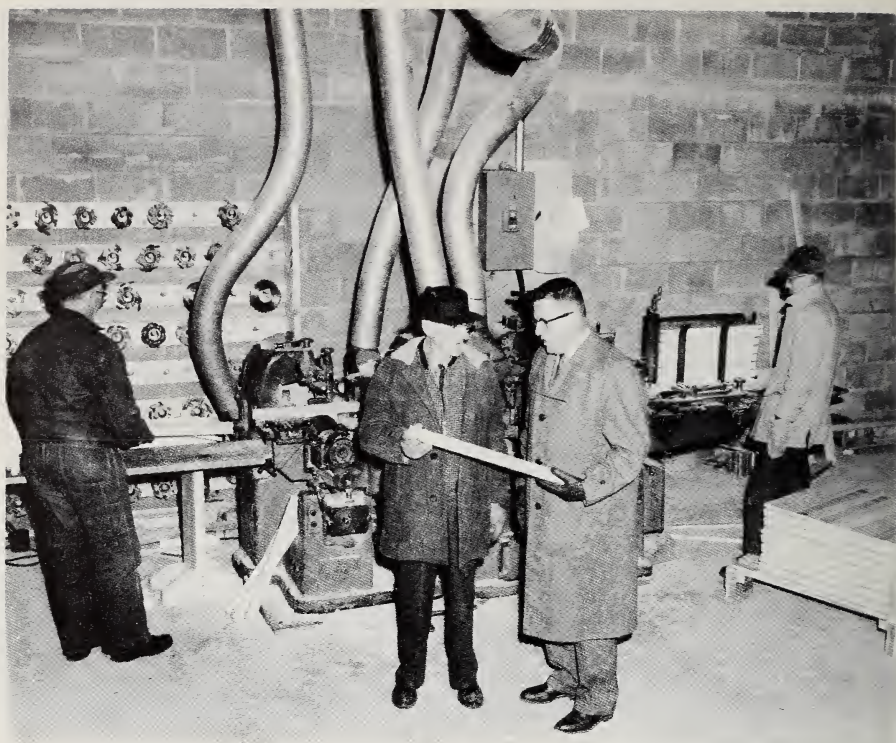


Asher, and O. O. Stivers, co-op employee, spent hours preparing the two exhibits designed for the meeting.

factory for the Eastern Shore, and repair them.

Rendering byproducts from poultry industry has become big business on the Eastern Shore. This factory is Choptank's biggest consumer.





Luke Hann (left) operates machine. George Marvin, firm's founder, and son William inspect moulding. Maynard Pearson, foreman, is at right.

CO-OP HELPS LOCAL INDUSTRIES

Two Warroad, Minnesota, industries got a big boost recently from Roseau Electric Cooperative. The co-op borrowed \$280,000 from REA under the consumer financing provision (Section 5) of the Rural Electrification Act, and reloaned it to the local businesses to install electrical equipment and machinery. The loan was the first in Minnesota and the second in the Nation in connection with USDA's Rural Areas Development program.

The lion's share of the funds went to help a local enterprise restore its millwork plant—destroyed by fire last June. The company had already rebuilt the plant structure with funds from other sources. The rehabilitation

project will restore 160 jobs and, since the rebuilding is being done with expansion in mind, will create work for 50 or more additional people.

This company also operates grain elevators, a grain and seed cleaning plant, a wholesale pulp business, and a retail hardware and lumber business. It is responsible for about 70 percent of the business activity in the Warroad community.

The remaining funds were reloaned by the co-op to expand the operations of a company engaged in growing and processing seed potatoes. Both businesses are member-consumers of Roseau Electric Cooperative. □



Seed potato plant provides full-time work for 6 people, seasonal work for 19 more.

Section 5 funds are helping to rebuild burned out lumber company in Minnesota.





William S. Slusher, manager of the Ben Lomand Rural Telephone Cooperative.

8 to 5

WINNING ODDS IN TENNESSEE

To meet the rising demands by subscribers for service with fewer parties on the lines, the Ben Lomand Rural Telephone Cooperative at McMinnville, Tennessee, is investigating the possibilities of converting its rural multi-party service from 8-party to 5-party. At present, it is making engineering studies on an exchange-by-exchange basis to determine the costs of such a move and the rates that would be required.

Ben Lomand was incorporated in October 1952, at a time when REA loan specifications limited service to 8-parties, but more crowded lines were still common in rural areas. It grew, like many other telephone cooperatives, out of the dire necessity of rural people for improved communications. For example, one of the companies Ben Lomand acquired was a magneto exchange which was absolutely on its last leg—a tottering last leg with the foot hanging way over into the grave. Part of the system was made up of discarded field wire, the rest was rust-eaten iron wire that had been in service

30 to 40 years. Poles, where they existed, were in even worse shape. In fact, they were so bad that someone was moved to ask: "It is obvious that the wire is holding the poles up, but what is holding the wire up?" Many of the lines did not even boast pole support, but were held up by trees and brush growth in fence rows.

Ben Lomand had a rather hectic beginning. Its organizers held an option to buy the Dixie Telephone Company, and REA loan funds for the purchase were released only 3 days before the option was due to run out. With the acquisition of Dixie, the co-op, which was operating an office in a McMinnville hotel room, suddenly found itself with 989 subscribers on lines that were so loosely strung that large rocks had been tied on them at intervals to keep them from slapping together and causing static. The co-op's most urgent problem was to keep the rocks from falling on anyone until a troubleshooter could be hired to repair the lines—a matter of 10 days. To add to the confusion during this

period, the World Series was being televised in the lobby of the hotel and it seemed that practically everyone in McMinnville who didn't have a television set, turned out for the broadcasts.

Mrs. Nelma Justin, auditor, who was the co-op's first paid employee says: "Those first weeks were a real mess. We tripped over one another constantly in the cramped quarters. It was like working in a railroad station. Looking back, I wonder how we accomplished anything—but we did!"

their work in a modern, brick office building built by the co-op in 1956.

Slusher, an ex-REA field man, who has managed Ben Lomand since its beginning, says: "At first people were happy with the 8-party rural service we provided because it was a great improvement over what they had been getting, but memories are short and today's aggravations are their primary concern. About 90 percent of our complaints are caused by competition for use of party lines, and these are our



Ben Lomand operates out of this modern brick office building at McMinnville.

Statistics prove how well they did. The co-op has grown from those original 989 subscribers receiving poor quality magneto service to 4,813 modern dial main stations and 353 extensions through 10 exchanges in parts of 10 counties over more than 1,251 miles of line. The number of employees has risen to 30. All the employees are carefully hand-picked by Bill Slusher the co-op's manager—and nearly all are co-op trained. They do

most frustrating complaints, because there is little we can do about them. Further, they snowball.

"An innocent or unintended irritation often creates a deliberate irritation and so on. In some cases, people who have been friends for generations end up bitter enemies just competing for a party line. Unfortunately, most of our efforts to arbitrate the situation only add fuel to the flames. If we are convinced by several parties that one particular person is abusing the lines

more than others, we take action; this often causes the situation to become even more explosive. If we put the party on another line, the people already on that line resent it and the offending party—also resentful—makes no effort to improve.

“Several years ago, we had a case which caused us no end of trouble and



Nelma Justin, auditor, was the first paid staff member hired by the co-op.

expense. At that time, we connected an elderly lady, who had an asthmatic condition. She was very intelligent and could converse on many subjects. Further, she loved to talk on the telephone. She dialed numbers at random and talked to anyone who happened to pick up the receiver. At first, because of her asthmatic wheezing, folks thought they were talking to an ill or dying person. They'd get her address and dispatch a doctor or ambulance to her aid.

“As time went on, however, nearly everyone heard of her and many times when she'd make a call, the party on the other end of the line would make strange sounds to simulate trouble on the line. She would then call us and

report that her phone was not working (completely overlooking the fact that if it hadn't been working, she couldn't have used it to report the trouble.) To force us to hurry the repairman along, she would remove the receiver from the hook, thus tying up service for the other seven parties on the line.

“This, of course, was an extreme case, but there are countless others that are no less irritating. As I see it, the only way to alleviate the strain is to put fewer parties on the lines.”

Although giving better service to subscribers is the No. 1 consideration, according to the co-op, there are other advantages in converting the present 8-4-2-1 service to 5-2-1 service.

- It would mean more efficient use of outside plant because a higher fill per line can be maintained on a 5-party basis.

- It would permit more efficient use of central office equipment. Ben Lomand's central office lines are in 100-line groups, predominantly of 8-party lines. (Heavy traffic permits the use of only about 80 lines with the existing line finders and connectors.) The cut in traffic-per-line with 5-party service would enable the co-op to utilize all 100-line groups.

- It would give the cooperative an opportunity to evaluate and readjust equipment and outside plant inefficiencies which have developed over the past 6 years. For example, as the co-op has grown, modification had to be made in the original design to conform to changing conditions which could not be predicted in advance.

- It would enable Ben Lomand to incorporate some of REA's more recent design criteria such as improved transmission, terminal-per-station office equipment, new types of wires and cables—and techniques for their use as developed through REA's coordination with manufacturers.

Slusher estimates it would take about a year to accomplish the actual conversion after the decision to do the job has been approved. About 3 months of this time would be spent by engineers, staking lines and adding cable; 2 months would be devoted to plans and specifications—1 month each

for preparing bids and letting contracts; contractors would take another 4 months to do the work; and the redistribution of subscribers would take an additional 2 months.

Slusher says: "‘Quality Service’ is our motto and we intend to live up to that motto to the best of our ability."

HANDBOOKS ON MEMBER RELATIONS

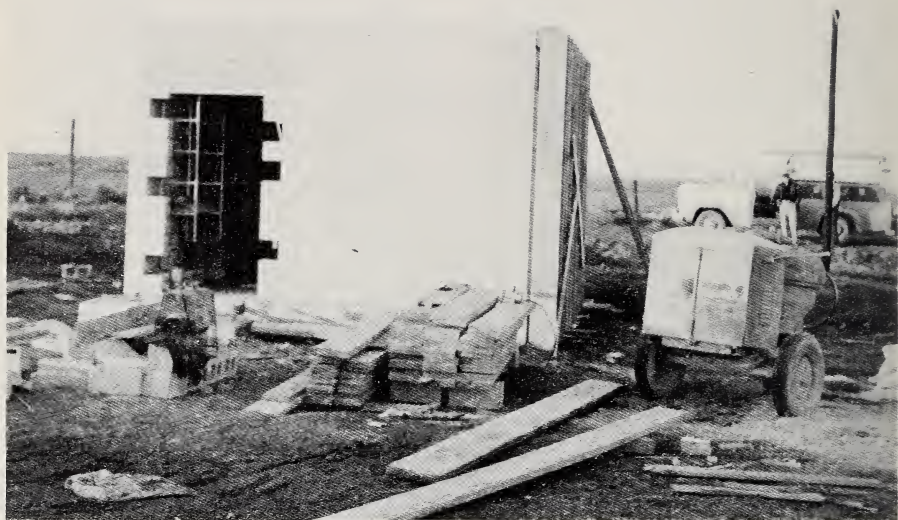
• Tips on better annual meetings and on effective member relations can be found in two new publications prepared by cooperatives outside the rural electrification program.

• A loose-leaf notebook entitled "Annual Meeting Guide" is published by Midland Cooperatives, 739 N. E. Johnson Street, Minneapolis, Minnesota. This attractive guide offers a package of suggestions and sample materials under tabbed dividers labelled publicity, program, reports, board responsibilities, and meeting facilities. Especially useful for rural electric and telephone cooperatives is a schedule and check list for planning the annual meeting. Midland offers the guidebook for \$2 a copy.

• The Cooperative League of the USA, 343 South Dearborn Street, Chicago 4, Illinois, has just issued an equally useful "Member Education Manual" in a loose leaf binder, priced at \$5. Material is arranged under such headings as education directors, audio-visuals, informing members, newsletters, and directors' responsibilities. It also contains a useful bibliography. □

A BULLETIN OF RAD INTEREST

New industries can give rural communities a big economic boost, says a recent publication from the Economic Research Service of the U. S. Department of Agriculture. Industrial plants not only provide jobs for farm and rural families, but also give them higher average incomes. The report, "Rural Industrialization," summarizes five studies made in Mississippi, Louisiana, Utah, and Iowa. In each of these areas, the level of living of industrial workers was substantially higher than that of other nonfarm and farm workers in the same community. A free copy of this report, Agricultural Information Bulletin No. 252, is available from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C. □



When this structure is completed, it will house Alzada dial central office exchange.

Good Neighbors in Montana

At Alzada, Montana, recently, 84 telephone subscribers agreed unanimously to accept a rate increase so that 12 additional prospective subscribers could also receive service. This outstanding example of neighborliness took place in the service area of Range Telephone Cooperative, Inc., located in Forsyth, Montana.

Range had received an REA loan and was just about to begin building a new telephone exchange at Alzada, Montana, to serve 84 subscribers in the Alzada-Albion area. However, they had requests for service from 12 potential subscribers in the Finger Buttes area northwest of Albion. Engineering studies showed that because of the low density and high investment involved in serving this area, the prospective

subscribers would have to pay either an initial construction charge or higher rates if the area was to be served. A rate increase was selected. REA made a restudy of the loan to include Finger Buttes and advised the cooperative that a revised loan including these people would be feasible with a rate increase of 50 cents a month over the rates originally set up for the Alzada exchange. The 12 people from Finger Buttes personally canvassed the 84 Alzada-Albion folks to obtain their acceptance of the increase. They agreed to the increase without a single exception.

This, however, is not the first time the people of Range's service area have cooperated to further the cause of good telephone service in this thinly

populated area. Their unceasing efforts, community interest, and cooperation since 1953 have succeeded in overcoming many obstacles to area-wide coverage.

Range Telephone Cooperative was started by a group of ranchers at Ashland, Montana, who believed that if they were to have the protection and convenience of modern telephone service they would have to "do it themselves." They formed a telephone company and were soon joined by a number of farm mutual telephone associations and others until they were large enough to hire an engineer to look after technical matters and a manager to handle the business end of the operation. The ranchers themselves surveyed, obtained right-of-way easements, and signed up prospective subscribers. They also contributed money and labor for construction. Most of the actual construction work, however, has been handled by qualified licensed contractors. The system has been financed by equity funds from the

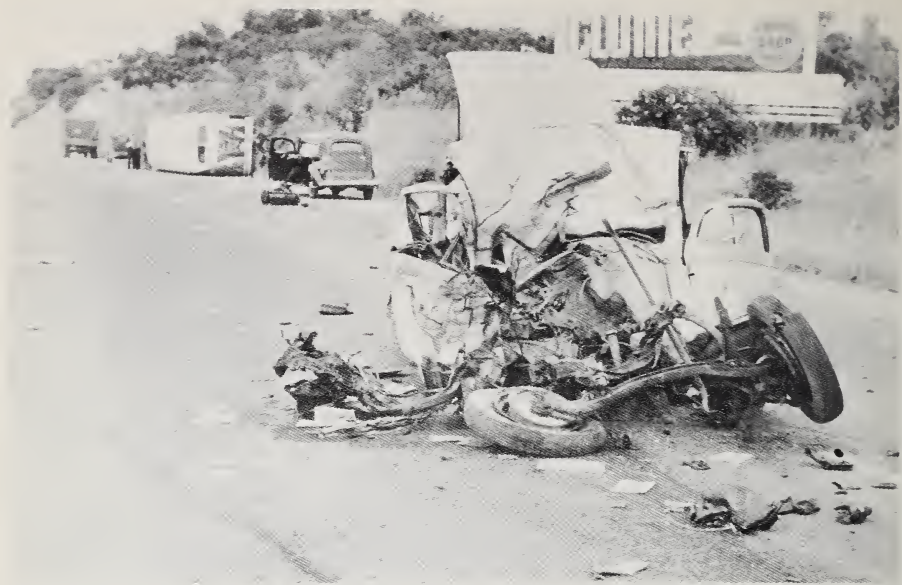
members of the co-op and through REA loans.

The co-op's first exchange at Rosebud, Montana, was placed in service on May 10, 1957 with 50 main stations. Modern dial service has since been extended through three more exchanges—Ashland, Montana, and East of Sheridan and Clearmont, Wyoming. The co-op now serves 705 main stations over 760 miles of line in 7 counties of 2 States. Operations and policies are governed by a board of seven trustees representing the various areas the cooperative serves and Jim Bum-baca is president.

Recently, Range received notice from Montana's Senators and Congressmen that President Kennedy has signed into law a bill to permit the Department of Interior to sell the Indian Bureau telephone system at Lama Deer. The co-op plans to buy that system and add it to the cooperative's system; it will provide telephone service for 160 subscribers in the Lama Deer-Busby area.

Fred Adams, manager of Range Telephone Cooperative, and Willie Walker of Finger Buttes, examine the site of the new Alzada exchange near Forsyth.





A SAFETY EDITORIAL

THE LIFE YOU SAVE

In 1961, three employees of REA borrowers were killed in moving vehicle accidents. The year before, two died. From 1939 to 1960, this type of transportation fatality claimed 40 lives, and there has been at least one death per year for the last 7 years.

This needless waste of life points up the fact that safety is a 24-hour-a-day job. It is not a habit you can turn on when you come to work, and off when you leave for home at night.

People die in car and truck crashes because the automobile arrived ahead of a compensating sense of responsibility. A strange quirk of human nature causes many drivers to relinquish their everyday courtesy, common sense, and care once they get behind the wheel of an automobile. Some of us can remember when this human flaw used to turn up, in a mild form, as father mounted the surrey and tightened his reins against the bits of a pair of high-

mettled grays. Frisky as they were, those two horses rarely got out of father's control. He was in charge.

Today, time and science have packed the power, not of two horses, but a whole galloping herd of them, under the beautiful hood of the family car. The problem has multiplied at least 100 times.

Will you be a statistic tonight? You can keep your name out of the crash column by using a little common sense. If you have a carful, be careful. Don't save a minute and lose a life. And remember this old epitaph:

"Here lies the body of Isaac

McVeigh

Who died defending his
right-of-way.

He was right (dead right) as he
sped along,

But he's just as dead as if he'd
been wrong."

New and Revised REA Bulletins . . .

New Bulletins:

345-22 (12/14/62), "REA Specification for 66 MH Voice Frequency Loading Coil." This bulletin describes REA minimum requirements for 66 MH loading coils purchased by REA telephone borrowers.

Revised Bulletins:

40-3, 340-6 (12/19/61), "Structures That May Affect the Use of Navigable Airspace." A revision to provide additional details on compliance with FAA regulations and an up-to-date list of FAA regional offices.

461-1 (12/21/61), "Accounting System Requirements for Telephone Borrowers." A revision to provide for additional subdivisions of accounts and changes in titles and decimal account numbers.

Supplements and Partial Revisions to REA Bulletins:

345-13 (10/31/61), "REA Specification for Fully Color-Coded, Polyethylene-Insulated, Polyethylene-Jacketed Telephone Cables." A partial revision to reflect design changes in Specification PE-22.

345-14 (10/31/61), "REA Specification for Fully Color-Coated Polyethylene-Insulated, Double Polyethylene-Jacketed Telephone Cables for Direct Burial." A partial revision to reflect design changes in Specification PE-23.

345-18 (10/31/61), "REA Specification for Plastic-Insulated, Plastic-Jacketed Station Wire." A partial revision to reflect design changes in Specification PE-20.

108-1 (11/8/61), "Electric Distribution Borrowers' Financial and Statistical Reports." A memorandum asking borrowers to complete REA Form 7 without any changes in the printed format.

384-2 (12/7/61), "Final Documents, Central Office Equipment Contracts." An appendix to serve as a guide in making acceptance tests on customer toll dialing (DDD) equipment.

THIS MONTH

- 3 *Kentucky RAD Pioneer*
- 7 *Colorado Co-op Overcomes Disaster*
- 8 *Co-op Action Averts Hospital Power Failure*
- 9 *The Repayment Record*
- 12 *Eastern Shore Leaders Map Out RAD Strategy*
- 14 *Co-op Helps Local Industries*
- 16 *8 to 5—Winning Odds in Tennessee*
- 19 *Handbooks on Member Relations*
- 20 *Good Neighbors in Montana*
- 22 *The Life You Save*
- 23 *New and Revised Bulletins*

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